

**EXHIBIT 11**  
**TO THE**  
**AFFIDAVIT OF THOMAS H. BELKNAP, JR.**

MORGAN & MORGAN  
ABOGADOS ATTORNEYS AT LAW  
FERNANDO VIQUEZ

CID: 8-261-152 [Handwritten] 114172 2007

[Illegible handwriting]

REPUBLIC OF PANAMA  
PROVINCE OF PANAMA

NINTH NOTARY'S OFFICE OF THE PANAMA NOTARIES CIRCUIT  
*Javier Danilo Smith Chen*

Tel nos.: 302-2760  
302-2761  
Fax: 302-2762

GALERIAS OBARRIA  
BETWEEN VÍA ESPAÑA AND VÍA  
BRASIL  
FIRST FLOOR, OFFICE 70

Post Code 0834-00288  
Carasquilla, P.R. de Panamá  
E-mail: notaria9@tcARRIER.net

**COPY OF**  
**DEED** No. 10985 OF 26 OF June OF 2007

BY WHICH

the **FIRST PREFERRED SHIP MORTGAGE** for the Ship called **PIONEER TRADER** granted by the owner **AMBIENT SHIPHOLDING CO.**, in favour of **LAIKI BANK (HELLAS) S.A.**, which was duly authenticated and legalised by the **GENERAL CONSULATE OF PANAMA IN PIRAEUS, GREECE**, exercising its notary powers, is registered.

REPUBLIC OF PANAMA  
OFFICIAL NOTARY'S PAPER  
[There appear a series of stamps]

NINTH NOTARY'S OFFICE OF THE PANAMA NOTARIES CIRCUIT

**DEED NUMBER TEN THOUSAND NINE HUNDRED AND EIGHTY-FIVE-----**  
**----- (10985) -----**

**BY WHICH** the **FIRST PREFERRED SHIP MORTGAGE** for the Ship called **PIONEER TRADER** granted by the owner **AMBIENT SHIPHOLDING CO.**, in favour of **LAIKI BANK (HELLAS) S.A.**, which was duly authenticated and legalised by the **GENERAL CONSULATE OF PANAMA IN PIRAEUS, GREECE**, exercising its notary powers, is registered.

Panama, 26th June 2007.

-----  
In the city of Panama, Capital of the Republic and Head of the Panama Notaries Circuit on the twenty-sixth (26) of June two thousand and seven (2007), before myself, **JAVIER DANILO SMITH CHEN**, Ninth Notary Public, First Supplement of the Panama Notaries Circuit, with personal identity card number eight - two hundred and twenty-six - nine hundred and two (**8-226-902**), appeared personally before Doctor **ENRIQUE DE ALBA**, male, of legal age, from Panama, married, lawyer, resident of this city, with personal identity card number eight - one hundred and sixty-three - nine hundred and twenty-three (**8-163-923**) a person who I have met and who is acting on behalf of the forensic experts **MORGAN Y MORGAN**, with address at **MMG TOWER**, Calle Cincuentitrés E (53E), Urbanización Marbella, Piso dieciséis (16), in the city of Panama, Republic of Panama, in his capacity as Special Representative for the Ship called **PIONEER TRADER**, which is the property of **AMBIENT SHIPHOLDING CO.**, and he handed the document containing the **FIRST PREFERRED SHIP MORTGAGE** for the Ship called **PIONEER TRADER** to me for registration at this Notary's Office.-----  
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**“Financial Agreement”** refers to the financial agreement dated 17th January 2007 between the Borrowers and the Mortgagee, by virtue of which the Mortgagee agreed to supply the Facility to the Borrowers in accordance with the terms and conditions established herein, regardless of whether this is changed or extended from time to time (a final draft of the financial agreement is attached hereto as Annex C and is part of the present document);-----

**“Group”** has the same meaning as given in the Financial Agreement;

**“Administrator”** refers to MARACHART SHIPPING COMPANY LIMITED, a company that was set up and exists in accordance with the laws of the Republic of Cyprus, with registered office at Vasileos Georgiou, 4A, Agios Dometios, 2373 Republic of Cyprus, with a branch at 24 Helmou Street, 145 65 Agios Stefanos, Attiki, Greece; -----

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[There appear a series of stamps]

NINTH NOTARY OFFICE OF THE PANAMA NOTARIES CIRCUIT

-----**21. NOTICES**--- 21.01 Unless specified otherwise, any notice in relation to this Mortgage will be sent by letter or by fax, and the references in this Mortgage to written notices, notices in writing and noticed signed by individuals will be interpreted as such.-

--- 21.02 A notice will be sent: (a) to the Shipowner: - c/o MARACHART SHIPPING COMPANY LIMITED, 5, Kapodistriou Street, Metamorfossi 144 52, Attiki, Greece; Fax No. + 30 210 2807080 ---- (b) to the Mortgagee at its Piraeus branch: 63, Iroon Polytechniou Avenue and Skouze str., Piraeus 185 36, Greece; Fax No. +30 210 4283058 --- or to any other address that the party gives to the other party or parties.----

21.03 Subject to Clauses 21.04 and 21.05: ---- 21.03.1 a notice will be considered to be notified when it is delivered in person or announced and will become valid once it has been delivered;---- 21.03.2 a notice sent by fax will be considered to be notified and will become valid two hours after the transmission process is completed. ---- 21.04

Nonetheless, if in accordance with Clause 21.03 a notice is considered to be notified: ---

- 21.04.1 on a non Business Day in the place of receipt; or ---- 21.04.2 on a Business Day but after 5 pm local time; ---- the notice (subject to Clause 21.05) will be

considered to be notified, and will become valid, at 9 am on the next day if it is a Business Day.---- 21.05 Clauses 21.03 and 21.04 do not apply if the recipient of a notice notifies the sender within one hour after the date on which the notice would be considered notified that the notice has been received in a materially illegible manner. ---

- 21.06 A notice in relation to this Mortgage will not be invalid due to the fact that the method by which it has been notified does not comply with the requirements of this Mortgage in accordance with which it is notified if the failure to notify it as per the requirements of this Mortgage or other Guarantee Document, as applicable, has not caused any major loss or damages to any party. ---- 21.07 Any notice in relation to this Mortgage will be made in English.---- 21.08 In this Clause, "notice" covers any claim, consent, authorisation, approval, instruction, waiver or other notification. ---- **22.**

**APPLICABLE LAW AND JURISDICTION**-----

22.01 This Mortgage will be subject to and interpreted in accordance with the Laws of the Republic of Panama. ---- 22.02 Any lawsuit or legal proceedings that arise due to or

in relation to this Mortgage will be brought at the Superior Court of Justice in London, England. The Shipowner hereby unconditionally agrees to use, in relation to itself and to its assets and income in general, the jurisdiction of the aforesaid Court and hereby irrevocably appoints Reed Smith Richards Butler LLP, currently at Beaufort House, 15 Botolph Street, London, EC3A 7EE, England, as its agent to notify it of the progress made in relation to the procedures at this court, and agrees to keep an agent in England throughout the Warranty Period for this purpose. The agreement to use this jurisdiction will not limit (nor will it be interpreted that it limits) the Mortgagee's right to bring any lawsuit or legal proceedings in relation to this Mortgage under any competent jurisdiction. The Shipowner hereby irrevocably waives any obligation that it may be under at present or in the future to select jurisdiction for any such lawsuit or proceedings and any claim that it may receive that this lawsuit or proceedings have been brought at an unsuitable body. None of the contents herein will affect the Mortgagee's right to notify the process by any other means allowed by law.----



**ANNEX A-----**

1. The Ship to which this Mortgage refers is M.N. **"PIONEER TRADER"**, with the following general information: Port of Registration: Panama ---- Registration Number: **35429-PRXT** --- IMO Number: **7609661** --- Gross Tonnage: 10,320 --- Net Tonnage: 6,110 --- Length: 137.01 metres --- Beam: 21.01 metres --- Height: 13.01 metres --- Type and number of engines: 1 DIESEL PIELSTICK --- Engine BHP: 12PC2-2V --- International Signals: **3 EJK 8** --- Classification: Lloyd's Register of Shipping-----
2. The ship type to which Clause 1 of this Mortgage refers is: Cargo Ship-----
3. The Administrator to which Clause 1.01 of this Mortgage refers is MARACHART SHIPPING COMPANY LIMITED of Cyprus, with branch at 24 Helmou Street, 145 62 Agios Stefanos, Attiki, Greece, or any other company that the Mortgagee approves.-----

**ANNEX B----Main Mortgage Information-----**

1. Name of the Ship: PIONEER TRADER ----- 2. Mortgagor: **AMBIENT SHIPHOLDING CO.**, a company that was set up and exists in accordance with the laws of the republic of the Marshall Islands, with registered office at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960; ---- 3. Mortgagee: **LAIKI BANK (HELLAS) S.A.**, a company duly set up in accordance with the laws of Greece, with registered office at 16, Panepistimiou Street, Athens, Greece, acting through its branch at 63, Iroon Polytechniou Avenue and Skouze Street, 185 36 Piraeus ---- 4. Mortgage Amount: US\$ 7,000,000 plus interest, costs and expenses and the enforcement of mortgage agreements;---- 5. Standard Interest Rate: Two point fifty percent (2.50%) of the LIBOR (see Clause 7 of the Financial Agreement and Clause 4.01.05 of the Mortgage); ---- 6. Default Interest Rate: Four point fifty percent (4.50%) of the LIBOR (see Clause 14.04 of the Financial Agreement and Clauses 4.01.07 and 4.01.08 of the Mortgage); ---- 7. Maturity Date: On request;---- 8. Method of Payment: All payments will be made in United States Dollars.-----

**ANNEX C ---- Financial Agreement-----**

Dated 17th January 2007 --- LAIKI BANK (HELLAS) S.A. as the Moneylender- TOUGH TRADER MARITIME PTE LTD. – and – SWORD TRADING S.A. – and – AMBIENT SHIPHOLDING CO. as joint and separate Borrowers ----- **FINANCIAL AGREEMENT** ---- Decreasing Revolving Credit Facility up to \$7,000,000 – m/n.s.

TOUGH TRADER, GRAIN TRADER and PIONEER (to be renamed PIONEER  
TRADER) ---- V&P Law Firm-----

ANNEXES

1 NOTICE OF WITHDRAWAL OF FUNDS-----

2 ACKNOWLEDGEMENT-----

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THIS AGREEMENT is signed on the 17th January 2007 ---- BETWEEN ---- 1) **LAIKI BANK (HELLAS) S.A.** as the Moneylender; and --- 2) **TOUGH TRADER MARITIME PTE. LTD.**; and **SWORD TRADING S.A.**; and **AMBIENT SHIPHOLDING CO.**, as joint and separate Borrowers.----

1. **PURPOSE** ---- This Agreement sets the terms and conditions in accordance with which the Moneylender has agreed to supply the Borrowers a decreasing revolving credit facility, which at no time will exceed Seven Million United States Dollars (US\$ 7,000,000) through several advance payments to (i) refinance a debt that exists between EFG Eurobank Ergasias S.A., currently guaranteed through the Existing Ships and (ii) finance part of the purchase cost for Ship C and (iii) supply the Borrowers the working capital and investment, provided that subject to the terms and conditions of this Agreement insofar as the Borrowers pay in advance any sums borrowed initially with regard to the abovementioned revolving credit facility, they will be entitled to reborrow the sums paid in advance for the working capital and investment up to the Applicable Limit from time to time. ---

2. **DEFINITIONS** ----

**“Borrower A”** refers to TOUGH TRADER MARITIME PTE. LTD., a company that was set up and exists in accordance with the laws of the Republic of Singapore, with registered office at 4 Battery Road # 15-01 Bank of China building, Singapore 049908, Republic of Singapore, and includes its successors; ---. **“Borrower B”** refers to SWORD TRADING S.A., a company that was set up and exists in accordance with the laws of the Republic of Panama, the office of whose resident agent is Edificio P.H. Bonanza Plaza, Oficina 3-B, Calle 41 Bella Vista, between Justo Arosemena and Cuba, City of Panama, Republic of Panama and includes its successors; ---- **“Borrower C”** refers to AMBIENT SHIPHOLDING CO., a company that was set up and exists in accordance with the laws of the Marshall Islands, with registered office at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall islands MH96960 and includes its successors; ---- **“Borrowers”** refers collectively to Borrower A, Borrower B and Borrower C and, individually to any of them; ---- **“Classification Society”** means Lloyd’s Register of Shipping or any other classification society that is a member of the IACS that the Moneylender approves in writing; ---- **“Combined Accounts”** refers to the Group’s audited and non-audited annual combined balance sheet and the profit and loss account; ---- **“Credit Facility Offer Letter”** refers to the letter dated 19th December 2006, that the Moneylender sent to the Borrowers and the Corporate Guarantor and that the Corporate Guarantor accepted on behalf of the Borrowers and the Guarantors on the same date; ---- **“Compulsory Purchase”** means requisition for ownership or any other compulsory purchase, requisition, appropriation, expropriation, privation, seizure or confiscation of a Ship for any reason by a Government Authority or other competent authority, whether *de jure* or *de facto*, but excludes the requisition for use or lease, which does not involve requisition for ownership; ---- **“Corporate Guarantee”** refers to the guarantee and indemnity with regard to the Borrowers’ obligations in accordance with this Agreement and other Warranty Documents that the Corporate Guarantor grants in the Moneylender’s favour in the form and with the content with which the Moneylender agrees at its complete discretion, regardless of whether this is revised, changed or extended from time to time; ---- **“Corporate Guarantor”** refers to MARACHART SHIPPING COMPANY LIMITED, a company that was set up and exists in accordance with the laws of the Republic of Cyprus, with registered office at Vasileos Georgiou, 4A, Agios Dometios, 2373 Republic of Cyprus and with a branch at 24 Helmou Street, 145 65 Agios Stefanos, Attiki, Greece; ---- **“Parties under the Corporate Guarantee”** refers to the

Parties of the Guarantee that are companies or societies, but not individuals, and individually refers to any one of them;----

“Group” refers collectively to the Borrowers and each other Party in the Corporate Guarantee as well as the rest of the companies in said Guarantee, or substantially the same beneficial ownership that the Borrowers enjoy or the ships that they own and that the Administrator administers.; ----

---- **"Ship A"** refers to the motor-driven ship **"TOUGH TRADER"**, a bulk cargo ship built in 1980, with a deadweight of 15,200 metric tons and a lightweight of 3,806 metric tons, registered as the property of Borrower A, under the Singapore flag; --- **"Ship B"** refers to the motor-driven ship **"GRAIN TRADER"**, a bulk cargo ship built in 1980, with a deadweight of 30,084 metric tons and a lightweight of 7,456 metric tons, registered as the property of Borrower B, under the Panama flag; ---- **"Ship C"** refers to the motor-driven ship **"PIONEER"**, built in 1980, with a deadweight of 17,150 metric tons and a lightweight of 4,300 metric tons, registered as the Vendor's property, under the San Vicente and the Grenadines flag, which Borrower C will purchase in accordance with the MDA and which will be registered as its property under the Panama flag with the new name **"PIONEER TRADER"**; --- **"Ships"** refers collectively to Ship A, Ship B and Ship C and individually to any one of them; ----



--- **3. THE FACILITY** ---- 3.01. The Moneylender hereby agrees to supply the Borrowers, in accordance with the terms and conditions of this Agreement, the Facility for an amount that at no time will exceed a total of Seven million Dollars: ---- (i) the Refinance Advance for an amount up to Three million four hundred thousand Dollars (US\$3,400,000) in order to meet Borrower A and Borrower B with the complete refinancing of a debt that exists between EFG Eurobank Ergasias S.A., currently guaranteed through Ship A and Ship B in accordance with the Existing Loan Agreement; --- (ii) the Purchase Advance for an amount equal to the lesser of Two million eight hundred thousand Dollars (US\$2,800,000), (ii) the amount in dollars that when added to the Refinance Advance will result in an amount of no more than sixty percent (60%) of the Market Value of the Mortgaged Ships, in order to meet Borrower C with the partial financing of the purchase cost of Ship C; ---- (iii) the Working Capital and Investment Advance for an amount equal to the lesser of (i) Seven million Dollars (US\$7,000,000) and (ii) the amount in Dollars that, when added to the total amount of all of the other withdrawn Advances will result in no more than sixty percent (60%) of the Market Value of the Mortgaged Ships, in order to supply the Borrowers working capital and investment, ---- Provided, however, that (i) the Purchase Advance has been withdrawn previously and (ii) no Working Capital and investment will be withdrawn until the Refinance Advance and the Purchase Advance have been withdrawn. ---- 3.02 The Borrowers undertake to use the credit from each advance for the purposes stated in Clause 3.01; the Moneylender will be entitled, but not obliged, to monitor the application of said credit. ----



---- 36.02 A notice will be sent: ---- (a) to the Borrowers: - c/o Marachart Shipping Company Limited, 5, Kapodistriou Street, Metamorfossi 144 52, Attiki, Greece; Fax No. + 30 210 2807080 --- (b) to the Moneylender at its branch in Piraeus: - 63, Iroon Polytechniou Avenue and Skouze str., Piraeus 185 36, Greece; Fax No.: +30 210 4283058 --- or any other address that the party gives to the other in writing. ----

---- 38.04 The Borrowers irrevocably appoint Reed Smith Richards Butler LLP, currently at Beaufort House, 15 Botolph Street, London, EC3A 7EE, England to act as their agent to receive and accept on their behalf any proceedings or other documents with regard to any procedures followed at the British courts that are related to this Agreement. ----

---- 39. **THIS AGREEMENT AND OTHER GUARANTEE DOCUMENTS** ---- In the event of any contradiction between the provisions of this Agreement and any of the Guarantee Documents, the provisions of this Agreement will prevail.-----

IN WITNESS WHEREOF, this document is signed by the representatives that the parties to the present document have authorised on the day and year *ut supra*.-----

**SIGNED** by: -----and by-----, on behalf of and representing **LAIKI BANK (HELLAS) S.A.**- in the presence of:-----

**SIGNED** by: -----, on behalf of and representing **TOUGH TRADER MARITIME PTE. LTD.**- in the presence of:-----

**SIGNED** by: -----, on behalf of and representing **SWORD TRADING S.A.**- in the presence of:-----

**SIGNED** by: -----, on behalf of and representing **AMBIENT SHIPHOLDING CO.**- in the presence of:-----

**ANNEX 1** ----- **Notice of Withdrawal of Funds** ---- TO: LAIKI BANK (HELLAS) S.A., 63, Iroon Polytechniou Avenue and Skouze str., Piraeus 185 36, Greece ---- Date: [·] of 2007 ---- Dear Sirs, ---- Financial Agreement dated [·] -----

1. We are referring to the financial agreement dated [·] of 2007 (the “**Financial Agreement**”) signed between ourselves, as the borrower, and yourselves, as the moneylender, in relation to a decreasing revolving credit facility up to US\$7,000,000. The terms defined in the Financial Agreement will have the same defined meanings when they are used in this Notice of Withdrawal of Funds.-----

2. We request to borrow an Advance of the Facility as follows: ---- (a) Amount: US\$ [·]; ---- (b) Date of Withdrawal of Funds: [·] of 2007; ---- (c) The duration of the first Interest Period will be [·] months; and ---- (d) Instructions for payment: account under the name of [·] and numbered [·] with [·] of [·].-----

3. We hereby state and guarantee that: ---- (a) the statements and guarantees in Clause 16 of the Financial Agreement and other Guarantee Agreements will continue to be true and not deceitful should they are repeated on the date of this notice in reference to the present circumstances; ---- (b) no Breach has been committed or will result from the loan of the aforementioned Advance.-----

4. This notice will not be revoked without your previous written consent.-----

5. We authorise you to deduct the amount of [the commission in accordance with that to which Clause 25.01 refers] [ the commission of availability to which Clause 25.02

refers ] [the annual commission to which Clause 25.03 refers]. [all legal commissions payable in accordance with Clause 18] from the Advance.-----

Regards,-----

-----Special Representative-----

On behalf of and representing **TOUGH TRADER MARITIME PTE.LTD.** and **SWORD TRADING S.A.** and **AMBIENT SHIPHOLDING CO.**-----

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**ANNEX 2 --- Acknowledgement --- [.] of 2007 --- Financial Agreement dated [.] of 2007 (the "Financial Agreement")** -----

We, the undersigned Borrower, hereby declare that, in relation to the aforementioned Financial Agreement, we have received an Advance for [.] United States Dollars (\$[.]) on [.] 2007. --- The terms used in uppercase herein will have the respective meanings specified in the Financial Agreement.-----

Regards,-----

-----Special Representative-----

On behalf of and representing **TOUGH TRADER MARITIME PTE.LTD.** and **SWORD TRADING S.A.** and **AMBIENT SHIPHOLDING CO.**-----

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THIS IS A FAITHFUL TRANSLATION INTO SPANISH OF THE ATTACHED DOCUMENT WRITTEN IN ENGLISH.-----Panama, 21st June 2007.-----

(Signed) Gilda Ferrer, Sworn Translator, Res. No. 104, 28th April 1975.-----

This copy is a faithful copy of the original, and I issue, seal and sign it in the city of Panama, Republic of Panama, on the twenty-sixth (26) of June two thousand and seven (2007).-----

[There appear a series of stamps]

**Registered in the Public Register of Panama**

Province: **Panama**

Volume: **2007**

Applicant: **FERNANDO VIQUEZ**

Payment No.: **7007067182**

Deposited by: **KAAL**

Date and Time: **2007/06/29 11:53:25:0**

Entry: **114172**

Certificate: **8-261-152**

Total Fees: **650.00**

[Illegible signature]

[There appears a stamp]